

## **REMARKS**

### **STATUS OF THE CLAIMS**

Claims 1-23 and 36 are pending in the application.

Claims 1-23 and 36 are rejected under 35 U.S.C. 103(a) as being unpatentable over Van De Pavert (U.S. Patent No. 5,914,471), in view of Boyer et al. (U.S. Patent No. 6,208,973), and further in view of Yanagihara et al. (U.S. Patent No. 6,370,517).

According to the foregoing, the claims are amended, and thus the pending claims remain for reconsideration, which is respectfully requested. Claim 36 is amended to require the limitations of other independent claims.

No new matter has been added.

### **REJECTION**

The Examiner maintains rejection of elected pending claims 1-23 and 36 are under 35 USC 103(a) as being unpatentable over Van De Pavert (US Patent No. 5,914,471), in view of Boyer et al. (U.S. Patent No. 6,208,973), and further in view of Yanagihara et al. (U.S. Patent No. 6,370,517). The Office Action page 2, item 3 is the Response to Arguments, in which the Examiner asserts the previous arguments are not persuasive.

The rejection over Van De Pavert, Boyer, Yanagihara is traversed, as follows:

Van De Pavert discusses "a method of recording usage data of a card-operated device, such as a public telephone set or a vending machine. In particular, usage data, such as totalized charges, is stored in a storage unit associated with the device" (Abstract). In Van De Pavert's FIG. 2, clearly the card 1, including the memory 10 that has a counter 15 and a register 17, fails to disclose or suggest (contemplate) the claimed present invention's, "***an electronic cashing card having a non-authentication processing memory***" and "***an authentication processing memory***." Therefore, Van De Pavert fails to disclose or suggest the claimed present invention's features recited in independent claims 1, 10, 17 and 36.

In particular, the Office Action page 2 also acknowledges that Van De Pavert does not explicitly disclose storing two balances on the card, but Boyer in column 7, lines 1-10 does disclose storing a second balance and one would be motivated to include a second balance on

the card “to facilitate the use of the system.” Further, the Office Action page 2 alleges Van De Pavert does not disclose comparing the non-authentication balance and the authentication balance and determining an illegal process has been performed with the card when the non-authentication balance is larger than the authentication balance, but Yanagihara discloses this in column 5, lines 10-60.

Regarding the Office Action’s reliance on Boyer to meet the claimed present invention’s two balances, Boyer FIG. 3, step 100, discusses issuing a cobranded healthcare/payment card to a patient. Boyer column 7, lines 1-5 refers to the card carrying two balances, however, this refers to two account balances at the bank, which differs from the claimed present invention’s “an electronic cashing card having a non-authentication processing memory and an authentication processing memory.” In other words, Boyer is silent on providing “non-authentication processing memory” and “non-authentication processing memory” on an electronic card.

It is submitted that Boyer fails to reasonably suggest to one skilled in the art according to the preponderance of evidence burden of proof for providing two processing memories on an electronic card to store electronic money balances. MPEP 2123 and 37 CFR 1.56.

Further, Boyer is a nonanalogous prior art by failing to be related to an electronic cashing card. And further, Boyer fails to be reasonably pertinent to transaction security using an electronic cashing card. MPEP 2145-IX.

Therefore, Boyer’s card fails to support any suggestion or motivation to one skilled in art to be combined with Van De Pavert or to modify Van De Pavert to achieve the claimed present invention.

Regarding the Office Action’s reliance on Yanagihara to meet the claimed present invention’s determining an illegal process has been performed with the card when the non-authentication balance is larger than the authentication balance, Yanagihara column 1, lines 34-63 discusses “an electronic money card, in which a storage section of the card has an area for storing a restricting condition for the withdrawal of electronic money and in which a logic is provided so that a user is allowed to read or write the electronic money stored in the electronic money card based on such condition.” Therefore, Yanagihara discusses setting usable limits of electronic money that users of the card can withdraw on a user basis. Yanagihara, FIG. 6 discloses usable limits for regular usage (213) and usage 1 (217) and usage 2 (221) - see

column 3, lines 11-30 and column 5, lines 10-60). The comparison in Yanagihara refers to obtaining an amount of electronic money 208 withdrawable from the electronic money card 106 within the usable limit 213, 217 or 221 and comparing the obtained amount with both the electronic money balance and the useable limit 213.

Therefore, the Yanagihara's comparison differs from the claimed present invention's, ***"comparing the non-authentication balance and the authentication balance and determining that an illegal process has been performed with the card when the non-authentication balance is larger than the authentication balance,"*** because the ***"non-authentication balance"*** is compared with the ***"authentication balance,"*** but the ***"authentication balance"*** is a balance of electronic money on the card and differs from a usage limit. Further, Yanagihara fails to discuss ***"updating the non-authentication balance to an amount less than or equal to the stored authentication balance when the transaction is settled by the authentication process."***

According to 37 CFR 1.56(b)(ii), "a prima facie case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest reasonable construction consistent with the specification ...". It is submitted that under a broadest reasonable construction, the claimed present invention's ***"comparing the non-authentication balance and the authentication balance,"*** is patentable over a combined system of Van De Pavert, Boyer and Yanagihara, because Yanagihara's usage limit differs from a ***"non-authentication balance" of electronic money on the card***, which is evidenced by the express claimed feature of ***"updating the non-authentication balance to an amount less than or equal to the stored authentication balance when the transaction is settled by the authentication process."*** In other words, Yanagihara fails to disclose, either expressly or implicitly, or suggest to one skilled in the art to be modified when combined with Van De Pavert to change its usage limit 213, 217 or 221 based upon a settled transaction.

Although, the claimed present invention's ***"comparing the non-authentication balance and the authentication balance"*** can provide a benefit of a usage limit for the card, the claimed present invention achieves the transaction security in a different manner than Yanagihara.

It is submitted that Yanagihara fails to reasonably suggest to one skilled in the art according to the preponderance of evidence burden of proof for providing a usage limit based

upon the claimed present invention's **"non-authentication balance" and "authentication balance"** of electronic money on a card - MPEP 2123 and 37 CFR 1.56.

It is submitted that Yanagihara's on a user basis usage limit discussion fails to support any suggestion or motivation to one skilled in art to modify Van De Pavert and Boyer to achieve the claimed present invention's **"updating the non-authentication balance to an amount less than or equal to the stored authentication balance when the transaction is settled by the authentication process"** and **"comparing the non-authentication balance and the authentication balance and determining that an illegal process has been performed with the card when the non-authentication balance is larger than the authentication balance."**

For example, the present Application FIG. 5, SP44, FIG. 6A, SP63, FIG. 7A, and page 15, line 6 to page 16, line 16 support the claimed invention.

The finality of the office action is premature, because a clear issue has not been developed between the Examiner and the Applicant. As discussed above, the obviousness ground of rejection is not proper based upon a combination of Van De Pavert, Boyer and Yanagihara. Further, in view of MPEP 706.07, the Office Action Response to Arguments does not include a rebuttal of the Applicant's arguments in the previous reply concerning (1) Yanagihara's **"usage limit"** and the claimed present invention's **"non-authentication balance,"** (2) the claimed present invention's comparison vs. Yanaghiara's comparison, and (3) the claimed present invention's **"updating the non-authentication balance to an amount less than or equal to the stored authentication balance when the transaction is settled by the authentication process."** 37 CFR 1.111(a) provides "on the second or any subsequent examination or consideration by the examiner the rejection or other action may be made final ..." (emphasis added). It is submitted that the finality of the office action is premature and not proper, since a clear issue has not been developed between the Examiner and the Applicant.

Therefore, either allowance of the present application or withdrawal of the finality of the office action and issuance of another office action is respectfully requested.

Independent claim 36 is amended to be consistent with other independent claims and is patentably distinguishing according to the foregoing remarks.

36. (CURRENTLY AMENDED) A ~~transaction~~  
~~settlement~~ method, comprising:

updating a non-authentication money balance that is stored on a card to an amount less than or equal to an authentication money balance that is stored on the card, after an authenticated transaction settlement with the card; and

determining that an illegal process has been performed with the card when the non-authentication money balance is larger than the authentication money balance.

In view of the remarks, withdrawal of the rejection of pending claims and allowance of pending claims is respectfully requested.

#### CONCLUSION

If there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

Respectfully submitted,  
STAAS & HALSEY LLP

Date: July 27, 2006

By: \_\_\_\_\_

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